JUDGE TORRES

## IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

| JOEL VARGAS,<br>an Individual   | )                |         |         | CV       | 0   | 2         | 0                           | 56           |
|---|------------------|---------|---------|----------|-----|-----------|-----------------------------|--------------|
| Plaintiff,  | )                |         |         |          |     |           |                             |              |
| <b>v.</b>   | )                | Civil A | ction l | No.      |     |           | 77 Ja<br>6.71,38<br>7.42,58 |              |
| ZUMIEZ, INC.,<br>URBAN OUTFITTERS, INC., and<br>AUSTIN POST, d/b/a POSTY CO.<br>Defendants. | )<br>)<br>)<br>) | JURY    | ΓRIA    | L DEMANI | DED | 30.08 4.7 | 35 -6 MH: 3                 | DISTRICT COL |

#### COMPLAINT FOR TRADEMARK INFRINGEMENT, <u>UNFAIR COMPETITION AND RELATED CLAIMS</u>

Plaintiff, Joel Vargas, alleges his complaint against Defendants, Zumiez, Inc., Urban Outfitters, Inc., and Austin Post, d/b/a Posty Co. as follows:

#### NATURE OF THE ACTION

1. This action arises from Defendants infringement of Plaintiff's "ownership" and "use" rights in the mark, STONEY<sup>TM</sup>, in conjunction with clothing and retail store services. Despite Plaintiff being the owner of the STONEY<sup>TM</sup> mark as used in connection with the sale and offering of various clothing related items under such brand name, the Defendants have infringed Plaintiff's rights in the aforementioned mark by manufacturing, printing, producing, promoting, selling, and offering for sale clothing items under Plaintiff's STONEY<sup>TM</sup> trademark.

Plaintiff has already experienced confusion in connection with the Defendants use of the STONEY<sup>TM</sup> brand name and is likely to continue to experience confusion as to the affiliation or

connection between all of the Defendants named in this action and Plaintiff resulting in the unjust enrichment of Defendants by using Plaintiff's trademark.

#### JURISDICTION AND VENUE

- 2. This Court has jurisdiction over this action under Section 43(a) of the Trademark Act, 15 U.S.C. §1125(a), Section 43(c) of the Trademark Act, 15 U.S.C. §1125(c) and 28 U.S.C. §1367.
- 3. This Court has personal jurisdiction over the Defendants because Defendants engage in continuous and significant business activities in, and directed to the State of New York within this judicial district and because Defendants have committed tortuous acts aimed at and causing harm within the State of New York and this judicial district. Two (2) of the Defendants are also registered with the New York State Division of Corporations.
- 4. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391(b) and (c) because it is where Plaintiff maintains a residence and the Defendants transacts business in this district, and because a substantial portion of the events giving rise to the asserted claims have occurred, and continue to occur, within this district. Furthermore, the damage to Plaintiff and its intellectual property described herein continues to occur in this judicial district. Defendants also advertise, market and sell goods in this district via the internet or directly.

#### THE PARTIES

- 5. Plaintiff, Joel Vargas is an individual with an address at 207 W. 102<sup>nd</sup> Street Apt. 3D, New York, NY 10024.
- 6. Upon information and belief, Defendant Zumiez, Inc. is a Washington Corporation with a principal place of business at 4001 204<sup>th</sup> Street SW Suite B, Lynwood, Washington 98036.

- 7. Upon information and belief, Defendant Urban Outfitters, Inc. is a Pennsylvania corporation with a principal place of business at 5000 South Broad Street, Philadelphia, Pennsylvania 19112.
- 8. Upon information and belief Defendant Austin Post d/b/a Posty Co. is an individual with an address at c/o Sedlmayr & Associates, P.C. 489 Fifth Avenue, 30<sup>th</sup> Floor, New York, New York 10017.

#### **FACTS**

- 9. Plaintiff Joel Vargas, amongst other things, is a fashion designer who has managed and operated a retail store selling clothing and other merchandise under the STONEY<sup>TM</sup> name since at least as early as 2017.
- 10. Since at least as early as 2015, Plaintiff Joel Vargas has been selling t-shirts and other clothing items under the **STONEY**<sup>TM</sup> brand name.
- 11. Since at least as early as 2015, Plaintiff has been independently operating a clothing business under the trade name **STONEY DESSERTS<sup>TM</sup>**, which has sold headwear, tshirts, sweaters, hooded sweatshirts and other related clothing items under the mark and brand names **STONEY<sup>TM</sup>**.
- 12. Plaintiff sells, and promotes the sale of his clothing via various retail clothing stores, at apparel trade shows throughout the United States.
- 13. Plaintiff advertises his **STONEY<sup>TM</sup>** brand and clothing items through social media platforms including but not limited to Instagram.
- 14. Plaintiff's **STONEY**<sup>TM</sup> apparel collection enjoys a superlative reputation in the apparel and merchandise industries.

- 15. Plaintiff is the owner of United States Trademark Serial Application No. 87/917,957 for the mark STONEY<sup>TM</sup> brand. (See Exhibit A).
- 16. Plaintiff has built and acquired significant common law rights in the **STONEY<sup>TM</sup>** mark in connection with clothing and retail store services based on Plaintiff's long standing and continuous use of the mark in commerce in connection with the promotion, sale and offering of clothing items under the aforementioned mark.
- 17. Upon information and belief, Defendant Zumiez, Inc. is an online retail store that sells clothing that also has flagship store locations in New York and other areas throughout the United States.
- 18. Defendant Zumiez, Inc. is manufacturing, printing, marketing, promoting, selling and offering for sale, apparel including t-shirts bearing Plaintiff's STONEY<sup>TM</sup> mark which violates Plaintiff's trademark rights in the aforementioned mark. The aforementioned use in commerce by Defendant violates Plaintiff's exclusive use rights in connection with clothing and retail store services featuring clothing and merchandise. (See Exhibit B).
- 19. Plaintiff is a senior user of the **STONEY**<sup>TM</sup> mark in connection with clothing and has priority rights in the aforementioned mark by virtue of "first use" "in commerce."
- 20. Upon information and belief, Defendant Zumiez, Inc. had knowledge of Plaintiff's ownership rights in the **STONEY**<sup>TM</sup> mark in connection with the sale and offering of clothing items.
- 21. Defendant Zumiez's use of Plaintiff's trademark has already caused confusion and is likely to continue to cause confusion as to the source of clothing products and other merchandise under the STONEY<sup>TM</sup> mark.
- 22. Defendant Urban Outfitters, Inc. is a retailer of apparel products and has flagship retail clothing stores worldwide.

- 23. Defendant Urban Outfitters, Inc. also operates an online retail clothing store via the website <u>www.urbanoutfitters.com</u>.
- 24. Plaintiff is informed and believes and thereon alleges that Defendant Urban Outfitters, Inc. was marketing, promoting, selling and offering for sale a t-shirt bearing Plaintiff's STONEY<sup>TM</sup> mark via the website www.urbanoutfitters.com which violates Plaintiff's trademark rights in the aforementioned mark. (See Exhibit C).
- 25. Upon information and belief, Defendant Urban Outfitters had knowledge of Plaintiff's ownership rights in the **STONEY**<sup>TM</sup> mark and it has acted in bad faith in adopting Plaintiff's trademarks on clothing items to palm of the good will and reputation Plaintiff has built in the **STONEY**<sup>TM</sup> mark.
- 26. Defendant Urban Outfitters use in commerce of Plaintiff's trademark has already caused confusion and is likely to continue to cause confusion as to the source of clothing products under the **STONEY**<sup>TM</sup> mark.
- 27. Defendant Austin Post ("Posty Co."), operates a retail clothing business that sells t-shirts, and other clothing items.
- 28. Upon information and belief, Defendant Post is manufacturing, marketing, promoting, selling and offering for sale a collection of t-shirts and other clothing items under the mark STONEY<sup>TM</sup> from various retail stores that violate Plaintiff's trademark rights in his STONEY<sup>TM</sup> mark.
- 29. Upon information and belief, Defendant Post had knowledge of Plaintiff's ownership rights in the STONEY<sup>TM</sup> mark. He has acted in bad faith in selling t-shirts under a mark that infringes Plaintiff's trademark in an attempt to palm of the good will and reputation Plaintiff has built in the STONEY<sup>TM</sup> mark.

- 30. Defendant Post's use in commerce of Plaintiff's trademarks has already caused confusion and is likely to continue to cause confusion as to the source of clothing products under the **STONEY**<sup>TM</sup> mark.
- 31. Defendant Post's use of Plaintiff's trademark is not considered a fair use as he is using the mark for commercial business purposes and for a profit.

# FIRST CAUSE OF ACTION TRADEMARK INFRINGEMENT (15 U.S.C. §§ 1114-1116)

- 32. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 31 of this Complaint.
- 33. The use in commerce by Defendants of an identical version of Plaintiff's trademark is likely to cause confusion, mistake and deception among members of the public and in trade as to the source, origin, or sponsorship of defendants' goods and services. Such use by Defendants constitutes a clear and direct infringement of Plaintiff's rights in and to Plaintiff's trademark, and has resulted in injury and damage to Plaintiff that will continue if Defendants are not ordered to cease all use of the **STONEY**<sup>TM</sup> mark.

#### SECOND CAUSE OF ACTION

### UNFAIR COMPETITION & FALSE DESIGNATION OF ORIGIN (15 U.S.C. § 1125(a)

- 34. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 33 of this Complaint.
- 35. Plaintiff has the exclusive right to market, brand and provide clothing related goods using the STONEY<sup>TM</sup> mark.
- 36. Defendants by reason of the aforementioned acts, have falsely described, represented and designated the origin of its goods and services. Defendants' activities already

have confused the public into believing that Defendants and Plaintiff's clothing goods and accessories come from one and the same source, and Defendants continued activities are likely to create further confusion and deceive the public concerning the source of the goods/services.

- 37. Defendants have unfairly profited from the actions alleged herein and will continue to unfairly profit and become unjustly enriched unless and until such conduct is enjoined by this Court.
- 38. By reason of Defendants willful acts conducted in conscious disregard for Plaintiff's rights, Plaintiff is entitled to treble damages under 15 U.S.C. § 1117(a).

#### THIRD CAUSE OF ACTION

#### COMMON LAW TRADEMARK INFRINGEMENT & UNFAIR COMPETITION

- 39. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 38 of this Complaint.
- 40. Defendants conduct constitutes deception by which Defendants goods will be palmed off as those of Plaintiff. Such conduct constitutes trademark infringement and unfair competition in violation of the laws of the State of New York.
- 41. Defendants unauthorized use of Plaintiff's **STONEY<sup>TM</sup>** mark is likely to continue to cause further confusion to the public as to the clothing goods and accessories of the respective parties.
- 42. By reason of the foregoing, Defendants have infringed and continue to infringe on Plaintiff's common law rights in the **STONEY**<sup>TM</sup> mark and Defendants have become unjustly enriched by such acts of infringement.
- 43. Defendants unlawful conduct has been and will continue to be willful or willfully blind to Plaintiff's rights.

## FOURTH CAUSE OF ACTION UNJUST ENRICHMENT

- 44. Plaintiff repeats and realleges each and every allegation contained in Paragraphs 1 through 43 of this Complaint.
- 45. Defendants have unjustly retained profits from the sale of clothing goods and accessories bearing Plaintiff's **STONEY**<sup>TM</sup> mark.
  - 46. Defendant's actions constitute unjust enrichment.

#### PRAYER FOR RELIEF

WHEREFORE, Plaintiff respectfully prays for relief as follows:

- 1. Entry of an order and judgment requiring that all Defendants, its subsidiaries, officers, agents, servants, employees, owners, and representatives, and all other persons or entities in active concert or participation with them, be preliminarily and, thereafter, permanently enjoined and restrained from (a) using in any manner the trade name, trademark, domain name or other indicia or origin, including in whole or part the term **STONEY**<sup>TM</sup>, or any colorable imitation thereof; (b) advertising, operating a website, using business stationary or offering any goods or services using the trade name, trademark, domain name, URL, or any other indicia of origin including in whole or part the term **STONEY**<sup>TM</sup>, or any colorable imitation thereof; (c) otherwise engaging in any acts of unfair competition and infringement which tend to injure Plaintiff's rights in the **STONEY**<sup>TM</sup> mark.
- 2. That Defendants be required to account to Plaintiff for any and all profits derived by it, and to compensate Plaintiff for all the damages sustained by reason of the acts complained of herein, and that the damages herein be trebled pursuant to the Trademark Act.

3. That Defendants be ordered to deliver up for destruction any and all infringing materials bearing the STONEY<sup>TM</sup> mark, and any colorable imitation thereof, in whole or part.

4. That Plaintiff be awarded punitive damages against all Defendants.

5. That Defendant be required to place advertisements or send notifications to past and present customers that it improperly has been using the **STONEY**<sup>TM</sup> mark.

6. That Plaintiff be awarded statutory damages in the amount of \$1,000,000.00 for Defendants acts of willful infringement of Plaintiff's trademark.

7. That Plaintiff be awarded the cost and disbursements of this action.

8. That Plaintiff have such other and further relief as the Court deems just and proper.

#### JURY DEMAND

Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiff hereby demands a trial by jury as to all issues.

Dated: March 5, 2019 New York, New York

Respectfully submitted, Joel Vargas – Pro Se

Joel Vargas
Pro Se Plaintiff

207 West. 102<sup>nd</sup> Street – Apt. #3D

New York, New York 10024

(917) 420-2151

### **EXHIBIT A**



#### **United States Patent and Trademark Office**

Home | Site Index | Search | FAQ | Glossary | Guides | Contacts | eBusiness | eBiz alerts | News | Help

### Trademarks > Trademark Electronic Search System (TESS)

TESS was last updated on Tue Mar 5 03:31:02 EST 2019

| TSDR ASSIGN Status ( Use the "Back" button of the Internet Browse return to TESS)   | ∍r to |
|---|-------|
| Start List At: OR Jump to record: Record 2 out of 7   |       |
| Logout Please logout when you are done to release system resources allocated for you  |       |
| TESS HOME NEW USER STRUCTURED FREE FORM BIRDWIS DICT SEARCH OG BOTTOM HELP PRINT LIST CURR LIST  NEXT LIST FIRST DOC PREV DOC NEXT DOC LAST DOC | 1     |

## **STONEY**

Word Mark

STONEY

Goods and Services IC 035. US 100 101 102. G & S: Advertising and marketing; Promoting the goods and services of others; Wholesale and retail store services featuring clothing, lighters, ashtrays, rolling papers, grinders, bongs, roll trays, vape pens, oil cartridges, pins, buttons, stickers, and posters. FIRST USE: 20170310. FIRST USE IN COMMERCE: 20170310

Standard Characters Claimed

Mark Drawing Code

(4) STANDARD CHARACTER MARK

Serial Number

87917957 May 11, 2018

Filing Date
Current Basis

1A

Original Filing

1A

Basis

10

Owner

(APPLICANT) Vargas, Joel INDIVIDUAL UNITED STATES 2026 New York Avenue Union City

NEW JERSEY 07087

Type of Mark

SERVICE MARK

Register

**PRINCIPAL** 

Live/Dead Indicator

LIVE

| TESS HOME NEW USER STRUCTURED FREE FORM | BROWSE DIET SEARCH OG TOP HELP PREVIOUS CURR LIST |
|---|---|
| NEXT LIST FIRST DOC PREV DOC NEXT DOC   | LAST DOC  |

| HOME | SITE INDEX | SEARCH | BUSINESS | HELP | PRIVACY POLICY

**EXHIBIT B** 

#### **GET IT BY THIS WEEKEND! GUARANTEED FOR \$8\***

Login/Signup (https://www.zumiez.com/customer/account/login/referer/aHR0cHM6Ly93d3cuenVteWV6LmNvbS9wb3NDLW1hbG9uZS1zdG9uZXtd2hpdGUtdC1zaGlydC5odG1s/1 Your store: Not Selected (Https://Www.zumiez.com/Storelocator/) United States (https://www.zumiez.com/entrance/) (EN) \$USD **GIFT CARDS** What are you looking for? TRACK MY (HTTPS://WWW.ZUMIERDERM/GIFT-CARDS.HTML) (HTTPS://WWW.ZUMIE zumez

(https://www.zumiez.com/)

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ACCESSORIES (HTTPS://WWW.ZUMIEZ.COM/ACCESSORIES/) BRANDS (HTTPS://WWW.ZUMIEZ.COM/BRANDS.HTML)

SALE (HTTPS://WWW.ZUMIEZ.COM/SALE/) THE ZUMIEZ STASH (HTTPS://WWW.ZUMIEZ.COM/THE-STASH/)

¿ BACK TO RESULTS (HTTPS://WWW.ZUMIEZ.COM/BRANDS/POST-MALONE.HTML)

#### Post Malone Stoney White T-Shirt

Item # 291004 Stash Points: 2,199 (?)



Item # 291004 Stash Points: 2,199 (?)

COPY LINK

## **EXHIBIT C**



#### Content + Care

- Cotton
- Machine wash
- Imported

#### Size + Fit

- Model is 6'0" and wearing size Large
- Measurements are taken from size Large
- Chest: 20"
- Length: 29"

Shipping + Returns

V

Reviews

5.0 | 2 Reviews

100% Recommended



Customers Say: True to Size